

MOTION BY SUPERVISOR GLORIA MOLINA

July 24, 2007

**AMENDMENT TO ITEM NO. 35**

County code requires all entities doing business with the County either by contract, permit, grant license or franchise to file quarterly lobbying reports. After five separate attempts through certified correspondence and numerous telephone calls, the Executive Office placed an item on the agenda seeking to bar Maximus from receiving future County contracts for failure to file the required lobbying report from January 1, 2007 through March 31, 2007.

Only when threatened with debarment did Maximus respond to the Executive Office, submit the required reports, and pay the required penalty fee of \$2000. Now that Maximus is in compliance, the current County ordinance does not prohibit Maximus from seeking additional county contracts. Currently, Maximus has a contract with the Department of Public Social Services for over \$23 million and is in the process of negotiating a contract extension with the County.

**MOTION**

Molina	_____
Burke	_____
Knabe	_____
Antonovich	_____
Yaroslavsky	_____

Maximus is not the first company to ignore County lobbying rules and will not likely be the last as long as the penalty for ignoring these rules is only a tiny fraction of the overall contract they have with the County.

The current “no harm, no foul” punishment against those contractors who fail to comply with the County’s ordinance needs to be strengthened. In order to ensure that companies that do business with the county are more responsive to our rules, the Board should strengthen the current ordinance by creating greater accountability.

I THEREFORE MOVE THAT THE BOARD ratify the \$2000.00 sanction imposed against Maximus and direct the Chief Executive Officer along with the Executive Office and County Counsel to develop recommendations that will result in more stringent enforcement of the County’s lobbying ordinance.

Options that should be considered include but are not limited to:

1. A mechanism for progressive discipline, including the permanent barring of future contracts with the County and the cancellation of existing contracts for those companies which demonstrate a pattern of non-compliance.
2. Higher monetary penalties, including a percentage of the existing contracts with the County, whichever is greater.

These recommendations should be brought back to the Board at the Board meeting of August 21, 2007.

MS/jp